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MISSOURI PUBLIC SERVICE COMMISSION

FILE NO. ER-2026-0291

DIRECT TESTIMONY

OF

ROBERT B. DIXON

ON

BEHALF OF

UNION ELECTRIC COMPANY

D/B/A AMEREN MISSOURI

St. Louis, Missouri

June 26, 2026

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DIRECT TESTIMONY

OF

ROBERT B. DIXON

FILE NO. ER-2024-0319

I. INTRODUCTION

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Q. Please state your name and business address.

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A. My name is Robert Dixon, and my business address is Union Electric Company d/b/a Ameren Missouri ("Ameren Missouri" or "Company"), One Ameren Plaza, 1901 Chouteau Avenue, St. Louis, Missouri 63103.

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I serve as Vice President of Regulatory and Legislative Affairs for Ameren Missouri, a role I assumed in December 2025. In this capacity, I lead the strategy and implementation of Ameren Missouri's regulatory and governmental engagement with State of Missouri elected and appointed officials, civic and stakeholder organizations, including matters before the Missouri Public Service Commission ("Commission").

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Q. Please describe your educational background and employment experience.

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A. My career has focused on driving economic growth in Missouri by advancing efforts in economic, community, workforce, and infrastructure development. Before assuming my current duties, I led Ameren Missouri's economic development department from October 2021 to November 2025. In this capacity, my team and I worked in partnership with state and local governments and economic development organizations to assist businesses with expanding or locating within our service territory. Prior to joining Ameren Missouri, I served as the Director of the Missouri Department of Economic

1 Development ("DED") from July 2017 until October 2021. As a member of the Governor's
2 cabinet, I was responsible for leading the state agency that oversaw economic and
3 community development, portions of the state's workforce development, and tourism,
4 among other areas.

5 Prior to joining the DED, I served as the President and CEO of the Missouri
6 Community College Association and in various leadership roles at the Springfield and
7 Hollister, Missouri Chambers of Commerce. I am a U.S. Marine Corps veteran, who
8 served in Afghanistan immediately after the 9/11 terrorist attacks. I was honorably
9 discharged as a Sergeant after five years of service in 2003. I earned a Bachelor of Arts in
10 Political Science from the University of Missouri – St. Louis and a Master's Degree in
11 Public Administration from Missouri State University.

12 **Q. What is the purpose of your Direct Testimony in this proceeding?**

13 A. My testimony provides an overview of Ameren Missouri's request in this
14 rate review, explains its primary drivers, and demonstrates why the request is necessary to
15 establish just and reasonable rates. I also describe how the Company is working to manage
16 customer impacts while continuing to provide safe and reliable electric service.

17 **Q. What is this case about, and why is the Company filing it now?**

18 A. This case is about the need to establish electric service rates that are
19 necessary to maintain a safe, reliable electric system that will be capable of meeting
20 growing demand, balanced against the need to keep rates as affordable as possible. Ameren
21 Missouri is filing this rate review primarily to reflect investments that have already been
22 made in the electric system since rates were last set. These investments are the result of a

1 disciplined planning process designed to ensure that each dollar spent delivers value to
2 customers.

3 Electricity is essential to nearly every part of daily life. Our customers rely on it to
4 power their homes, businesses, schools, and communities. They also expect it to be
5 available when they need it most, particularly during severe weather events. Maintaining
6 that level of reliability requires ongoing investment to replace aging infrastructure,
7 strengthen the system against storms, and ensure sufficient generation capacity to serve
8 customers' needs.

9 At its core, this request reflects the cost of continuing that work, and it is driven by
10 the capital investment necessary to build the infrastructure that generates and delivers
11 electric service.¹ Data centers are not driving this request, and as discussed below, new
12 large load customers are providing revenues that will reduce other customers' bills lower
13 than they would otherwise have been. At the same time, the Company has taken steps to
14 limit the overall increase and to ensure that customers receive tangible benefits from these
15 investments.

16 **Q. What are the key benefits to customers reflected in this request?**

17 A. Customers are already seeing the benefits of the Company's recent
18 investments, and this request supports continuing that progress. These benefits include
19 fewer outages due to a more resilient electric grid and a more balanced generation portfolio
20 designed to maintain reliable service as energy needs continue to evolve.

21 In addition, the Company has taken steps to introduce measures that directly address
22 customer affordability. These include:

¹ See Figure 3 below.

- 1 • Reflecting large load customer revenues arising from our economic development
2 efforts, supported by the Commission’s approval of our large load tariff late last
3 year, which results in a revenue requirement that is more than \$10 million lower
4 than it otherwise would have been, and in turn will lower customer bills over the
5 next two years by approximately \$21 million dollars.
- 6 • Proposing a new Income-Eligible Bill Discount Program, as only recently allowed
7 under Senate Bill 4 (2025), to provide targeted assistance to qualifying residential
8 customers while remaining cost-neutral for other customers. Under this proposal,
9 Ameren Missouri's most vulnerable customers will not experience a base rate
10 increase, as it would be offset by the discount. This is included in this case to
11 provide accelerated relief to qualifying customers before the results of the ongoing
12 working docket on energy assistance² can be incorporated into the Company's
13 tariffs in the future.
- 14 • Substantially reducing the revenue requirement and thus the requested rate increase
15 by accelerating the return to customers of valuable investment tax credits tracked
16 in the Commission-approved Inflation Reduction Act tracker, phased in increases
17 to pension/other post-employment benefits costs rather than implementing them all
18 at once, and requesting a cost of capital in this case that is at the absolute bottom of
19 what our expert cost of capital witness has determined is reasonable given the
20 higher capital costs we are experiencing in order to finance our investments and
21 operations in today's market. Taken together, these steps reduced what our increase
22 request would have been by approximately one-third.

² File No. OW-2026-0085.

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II. INVESTMENTS AND SYSTEM NEEDS

Q. What are the tangible benefits of the Company’s investments for customers?

A. The Company’s investments deliver tangible benefits by ensuring that electricity is available when customers need it and by strengthening the system to reduce the frequency of outages.

Since the Company’s last rate review, Ameren Missouri has added new generation resources and upgraded existing resources to maintain reliable service to meet growing energy demand and to prepare for the eventual retirement of older resources. This includes 400 megawatts of new generation, as well as improvements to existing energy centers to support long-term, efficient operations and ensure sufficient capacity during periods of peak demand.

In addition, Ameren Missouri continues to invest in the electric grid to improve reliability and resilience. These investments are focused on replacing aging infrastructure, strengthening the system against severe weather, and increasing the capacity needed to serve customers’ growing energy needs.

Q. Would you please provide some details about these grid investments?

A. Yes. In recent years, the Company has made targeted investments across the system to improve reliability, strengthen infrastructure, and support future growth. Key investments include:

- Adding 400 megawatts of generation to its system, providing additional energy that supports reliability, helps meet customers’ evolving energy needs, and mitigates risks of over-reliance on volatile energy markets;

- 1 • Improving the Labadie Energy Center to support its long-term operation, and
2 enabling dual-fuel capability at the Audrain Energy Center to ensure reliable
3 service during periods of peak winter demand;

- 4 • Installing more than 2,150 distribution automation devices that help detect and
5 isolate outages automatically, avoiding extended outages for hundreds of thousands
6 of customers during severe weather events;

- 7 • Upgrading hundreds of miles of power lines and underground cable to replace aging
8 equipment and support system performance;

- 9 • Strengthening the system through the installation of more durable poles and other
10 equipment designed to withstand severe weather; and

- 11 • Building and upgrading substations to address aging infrastructure.

12 **Q. Can you provide examples of how these investments benefit customers**
13 **locally?**

14 A. Yes. We have made beneficial investments across our entire service territory,
15 including as described in the following examples:

- 16 • In Southeast Missouri, the Company rebuilt portions of the system
17 following a tornado using stronger materials designed to better withstand
18 future storms. These kinds of storm hardening projects have delivered
19 tangible benefits for our customers as evidenced by the fact that on circuits
20 where this kind of work has been completed – and which have then been
21 impacted by extremely severe weather – we have very limited failures while
22 on nearby circuits where this work has not been done, we have had broader
23 failures and resulting extended outages during those same storm events.

- 24 • In Central Missouri, the Company upgraded end-of-life underground cable,
25 which had experienced multiple failures in recent years.

- 26 • In communities across the region, the company installed automated
27 switching technology that allows the system to quickly identify and isolate
28 issues, meaning many customers experience only a brief interruption
29 instead of a prolonged outage. These kinds of investments have saved over
30 260,000 customer outages since 2025.

- 31 • In the St. Louis region, the Company upgraded major substations and
32 infrastructure that will support reliability for large population centers by
33 replacing aging equipment and strengthening the system to better handle
34 periods of high demand.

1 In addition, in fast-growing areas of the service territory, new and expanded
2 substations have been constructed to meet increasing energy demand and prevent overload
3 conditions during peak usage. In other locations, transmission upgrades have addressed
4 aging infrastructure and reduced the risk of equipment failure that could otherwise lead to
5 broader service disruptions. Across the state, these infrastructure upgrades improve
6 reliability for tens of thousands of customers and ensure the system can meet demand
7 during periods of high usage. Further details regarding recent investments in the grid can
8 be found in the Company's annual Smart Energy Plan filing.

9 **Q. Do the Company's investments provide other benefits?**

10 A. Yes. Ameren Missouri's investments also provide direct economic benefits
11 to communities across the state. One such direct benefit stems from the fact that a
12 significant portion of the Company's infrastructure spending is directed to Missouri-based
13 contractors and suppliers, helping to sustain jobs and support local businesses. In fact, since
14 the inception of the Company's Smart Energy Plan in 2019 over \$2.8 billion has been spent
15 with over 1,200 Missouri suppliers.

16 More generally, our investments also generate tax revenue for state and local
17 governments and contribute to the overall economic health of the communities we serve.
18 A recent economic impact study by HR&A Advisors concluded that our operations in 2024
19 supported 36,200 jobs, delivering \$12.5 billion of economic activity – fully 5% of the gross
20 regional product in our service territory. We also generated more than half a billion dollars
21 in taxes to local jurisdictions and the state combined. Reliable and resilient energy
22 infrastructure is also a key factor in attracting and retaining businesses, and by maintaining

1 a strong electric system, Ameren Missouri helps support new economic development and
2 growth across its service territory, which ultimately benefits all customers.

3 **III. ECONOMIC DEVELOPMENT AND LARGE LOAD CUSTOMERS**

4 **Q. Are data centers or other large load customers causing the Company's**
5 **request to increase rates for other customers?**

6 A. No. Large load customers are not driving this rate request, and they are not
7 increasing rates for other customers; in fact, they are decreasing rates in this case as
8 compared to what those rates would have been without it. While there are limited system
9 investments associated with expected large load customers, the large load customer
10 revenues included in this request – which lower the revenue requirement in this case by
11 more than \$10 million annually as compared to what it would have been without those
12 revenues – more than covers the cost of those limited investments, as outlined in detail in
13 Company witness Steve Wills' Direct Testimony. That revenue requirement reduction is
14 caused by the discrete adjustment we made in this case to ensure that large load customers
15 are paying their fair share, consistent with SB 4 and the recently approved Large Load
16 Customer Tariff.

17 **Q. You've addressed the impact of large load customers in this case. Will**
18 **large load customers benefit other customers over the longer term?**

19 A. Yes. As large load customers begin taking service, they are expected to
20 provide ongoing benefits to other customers. These customers will contribute significant
21 new revenues to the system, which will help spread fixed costs over a larger customer base.
22 This dynamic can help moderate future rate increases and improve overall cost efficiency
23 for all customers. The inclusion of a portion of these expected benefits in this case reflects

1 the Company's effort to provide value to customers sooner rather than waiting for those
2 benefits to be realized in a future rate review. And those benefits are in addition to the
3 tremendous benefits the investments by large load customers bring to our communities,
4 including huge economic benefits from thousands of construction jobs, very significant
5 new tax revenues over long time periods, and significant, well-paying permanent jobs, all
6 of which will bolster our communities for decades to come.

7 **IV. CUSTOMER AFFORDABILITY**

8 **Q. This case comes at a time when customers are facing rising costs. How**
9 **did the Company consider that in preparing this request?**

10 A. As I mentioned earlier, we took deliberate steps to reduce our rate request
11 by approximately one-third because we recognize that many customers are facing increased
12 costs across a range of household expenses, and we understand the concern that comes with
13 any change in electric rates. As we prepared this case, we focused on balancing the need
14 to continue making necessary investments with efforts to limit the overall impact on
15 customers.

16 **Q. You've explained how you mitigated the level of rate increase you are**
17 **asking for, but you are still seeking an increase. Why is it necessary that you do so at**
18 **this time?**

19 A. This rate review is necessary because the Company's costs to provide
20 electric service have increased since rates were last set, driven primarily by investments
21 that have already been made — and that we needed to make — to maintain and improve
22 the system and to provide the power our customers need when and where they need it.

1 Missouri's regulatory process requires the Company to provide service to all who
2 seek and qualify for service in its service territory. In exchange, the process requires that
3 the Company be afforded a reasonable opportunity to cover its costs, including its cost of
4 capital, by being allowed to charge rates that provide a fair return on the investments it
5 must make to provide service. The regulatory process also requires the Company to seek
6 Commission approval before it may adjust its rates, ensuring that all costs are carefully
7 reviewed and determined to be prudently incurred before they are reflected in customer
8 rates. This structure is an important safeguard for customers by ensuring that rates are based
9 on actual, prudent costs that have been incurred to provide service.

10 **Q. What steps is the Company taking to help customers manage their**
11 **bills?**

12 A. Ameren Missouri offers a range of programs and tools to help customers
13 manage their energy bills and access assistance when needed. These include energy
14 assistance programs administered in coordination with community agencies, outreach and
15 education efforts, and tools that help customers better understand and manage their energy
16 use. In 2025 alone, more than \$37 million in energy assistance was distributed to Ameren
17 Missouri customers through these programs. The Company remains committed to
18 continuing and enhancing these efforts so that customers have access to support both now
19 and in the future. Additional details on these topics are discussed in Company witness
20 Page Selby's Direct Testimony.

21 **Q. How does the proposed Income-Eligible Bill Discount fit into these**
22 **efforts?**

1 A. The proposed Income-Eligible Bill Discount provides targeted bill
2 assistance to customers who need it most. It eliminates the impact of a potential base rate
3 increase to our most vulnerable customers, and it is cost-neutral to existing customers.
4 Ameren Missouri is proposing this rate now, rather than waiting for the conclusion of the
5 Commission’s working docket, because we believe it is important to begin delivering these
6 benefits to customers as soon as practicable. While the working docket is ongoing and will
7 continue to inform future program design, delaying action would postpone meaningful
8 assistance to customers who are currently facing affordability challenges. The Company
9 recognizes that stakeholder input on these programs is ongoing through the Utility
10 Assistance working docket³ and remains open to working with the parties to refine this
11 proposal as part of the regulatory process in this case and the working docket.

12 The Company designed this proposal to reflect what has already been learned
13 through the working docket and from existing assistance programs, while maintaining
14 flexibility to incorporate additional stakeholder input as that process continues. By bringing
15 forward a proposal in this case, the Company is providing a near-term solution for
16 customers while preserving the ability to refine and improve the program in future
17 proceedings and upon the conclusion of the Utility Assistance working docket.
18 Importantly, the proposal is structured to remain cost-neutral for other customers by relying
19 on the reallocation of existing resources. This ensures that expanded assistance can be
20 delivered without increasing costs for non-eligible customers. Additional details on this
21 proposal are found in Company Witnesses Dr. Nicolas Bowden's and Ms. Selby's Direct
22 Testimonies.

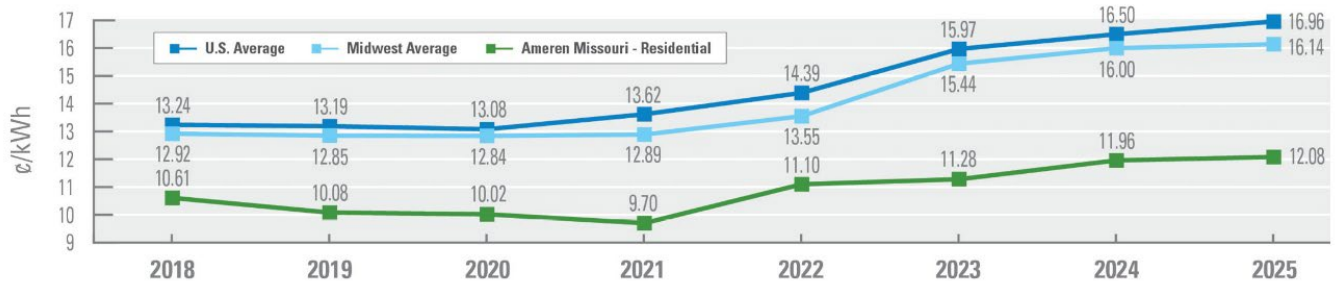
³ File No. OW-2026-0085.

1 **Q. How do Ameren Missouri's electric rates compare to the rates paid by**
2 **others in the region and across the country?**

3 A. Ameren Missouri's overall residential electric base rates have consistently
4 been substantially below both the Midwest and U.S. averages, and that remains true even
5 as Ameren Missouri has invested in the grid to continue to deliver safe and reliable service.
6 As Figure 2 below shows, based on the latest available data, our residential rates are
7 approximately 27% below the Midwest and 30% below the U.S. averages. This
8 demonstrates that we have provided electric service more cost-effectively than our peers,
9 even though we face the same cost pressures as they do.

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Figure 2



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12 **V. DRIVERS OF RATE INCREASE REQUEST AND INTRODUCTION OF**
13 **WITNESSES IN THIS CASE**

14 **Q. What is causing the need for a rate increase?**

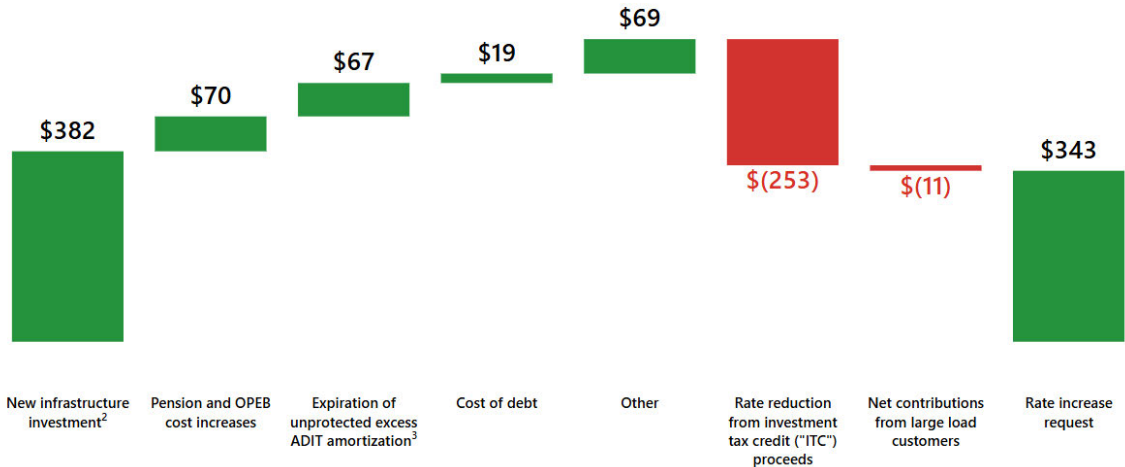
15 A. The clear reason for this request is the Company's investment in
16 infrastructure needed to provide safe and reliable electric service. The increase is also
17 driven by increases in operating costs that we incur to meet our service obligation. Figure
18 3 below summarizes main categories of increase (and decrease) that resulted in the rate
19 increase request in this case:

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Figure 3

Primary Drivers of \$343 Million Rate Increase Request¹

(values in millions)



1. Based on comparing to the Company's true-up direct position in File No. ER-2024-0319, as modified by the settlement agreement which was approved by the Commission in that case. The final ordered revenue requirement was the result of a black box settlement where each party calculated the rate increase amount using their own assumptions.

2. Includes the return on the Company's incremental plant investments and plant-in-service accounting (PISA) deferrals since the true-up date in File No. ER-2024-0319 and the corresponding increase in depreciation, plant amortizations, and PISA amortizations, partially offset by the return on the incremental plant-related accumulated deferred income taxes (ADIT).

3. The expiration of certain customer refunds due to the federal corporate income tax rate reduction from the 2017 Tax Cuts and Jobs Act (TCJA).

2

3 As can be seen in the chart, infrastructure investment is the largest driver, but our customers
 4 are able to take advantage of beneficial tax credits as we balance our portfolio to add more
 5 zero fuel cost energy, which reduces exposure to energy cost volatility.

6 **Q. Please introduce the witnesses who will be providing Direct Testimony**
 7 **in this proceeding.**

8 A. The Company is presenting testimony from a group of witnesses with
 9 expertise across the key areas relevant to this rate review. Together, these witnesses provide
 10 detailed support for the Company's request and demonstrate that the proposed rates are
 11 reasonable and necessary to provide safe and reliable electric service.

Witness	Title and Company	Testimony Subject
Robert B. Dixon	Vice President, Regulatory & Legislative Affairs, Ameren Missouri	Filing Overview

Witness	Title and Company	Testimony Subject
Stephen J. Hipkiss	Sr. Manager, Regulatory Accounting, Ameren Missouri	Revenue Requirement; Securitization Cost Tracker; Net Base Energy Costs ("NBEC"); Cash Working Capital
Mitchell J. Lansford	Vice President and Treasurer, Ameren Missouri and Ameren Services Company	Capital Structure; Cost of Debt, and Overall Rate of Return
Michael Flanagan	Manager, Program & Project Support, Ameren Missouri	Production Cost Modeling
Andrew M. Meyer	Senior Director Energy Management & Trading Ameren Missouri	Fuel Adjustment Clause
John J. Spanos	President, Gannet Fleming Valuation and Rate Consultants, LLC	New depreciation rates for natural gas units and energy storage systems
Benjamin Hasse	Manager, Regulatory Accounting, Ameren Missouri	Cost Allocation Manual
Nicholas Bowden, Ph.D.	Senior Manager, Rates and Analysis, Ameren Missouri	Normalized Billing Units, Rate Design, Revenues and Cost Allocation, Income-Eligible Bill Discount Program, Miscellaneous Tariff Changes
Thomas Hickman	Manager, Rates and Analysis, Ameren Missouri	Class Cost of Service Study; Tariff Changes
Ann E. Bulkley	Principal, The Brattle Group	Cost of Equity

Witness	Title and Company	Testimony Subject
Page Selby	Manager, Customer Advocacy, Ameren Missouri	Energy Assistance and Proposed Income-Eligible Bill Discount
Steven M. Wills	Sr. Director, Regulatory Affairs, Ameren Missouri	Large Load Impacts; Renewable Solutions Program Update; Wildfire Mitigation Costs Tracker

1

2 **Q. Does this conclude your Direct Testimony?**

3 **A. Yes, it does.**

